2007 DRAFTING REQUEST

Senate Substitute Amendment (SSA-SB174)

FE Sent For:

Received: 02/12/2008					Received By: gm	alaise	
Wanted: Today					Identical to LRB:		
For: Technical College System 7-7733					By/Representing: David Dies		
This file r	nay be shown	to any legislato	r: NO		Drafter: gmalaise	e	
May Cont	tact:				Addl. Drafters:		
Subject:	Higher	Education - mi	iscellaneous	S	Extra Copies:		
Submit vi	a email: YES						
Requester	r's email:	david.dies@	@eab.state.v	wi.us			
Carbon co	opy (CC:) to:						
Pre Topi	c:						
No specif	ïc pre topic gi	ven					
Topic:							
Purpose,	authority, and	responsibilities	of the Educ	cational Appr	oval Board		
Instructi	ons:						
Draft sens	ate companion	to ASA 1 to A	B 281, but f	fold in a1216			
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/?	gmalaise 02/12/2008	wjackson 02/12/2008					
/1			rschluet 02/12/200)8	sbasford 02/12/2008	sbasford 02/12/2008	

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This file may be shown to any legislator: NO Drafter: gmalaise

Addl. Drafters: May Contact:

Extra Copies: Subject: **Higher Education - miscellaneous**

Submit via email: YES

Requester's email: david.dies@eab.state.wi.us

Carbon copy (CC:) to:

Pre Topic:

No specific pre topic given

Topic:

Purpose, authority, and responsibilities of the Educational Approval Board

Instructions:

Draft senate companion to ASA 1 to AB 281, but fold in a1216

Drafting History:

Required Proofed Submitted Jacketed Drafted Reviewed Typed Vers.

/? gmalaise

FE Sent For:

Today 2/12 Thes

2007 - 2008 LEGISLATURE

LRBs0218/1/ GMM:wlj&kjf:pg

SENATE SENATE BELL 174

ASSEMBLY SUBSTITUTE AMENDMENT (),

TO 2007 ASSEMBLY BILL 281

January 25, 2008 - Offered by Representative NASS.

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AN ACT *to repeal* 37.60, 38.50 (1) (b), 38.50 (1) (e) 6., 38.50 (1) (e) 8., 38.50 (7) (b), 38.50 (8) (h), 38.50 (8) (i), 38.50 (10) (title), 38.50 (11) (a) 1., 38.50 (11) (a) 2. and 38.50 (11) (b) 2.; *to renumber* 38.50 (title), 38.50 (1) (d), 38.50 (1) (e) 7., 38.50 (7) (i), 38.50 (8) (c) 2., 38.50 (8) (c) 7., 38.50 (8) (d), 38.50 (8) (e), 38.50 (10) (c) (intro.), 38.50 (10) (c) 4. and 38.50 (11) (title); *to renumber and amend* 38.50 (1) (intro.), 38.50 (1) (a), 38.50 (1) (c), 38.50 (1) (e) (intro.), 38.50 (1) (e) 1., 38.50 (1) (e) 2., 38.50 (1) (e) 3., 38.50 (1) (e) 4., 38.50 (1) (e) 5., 38.50 (1) (f), 38.50 (1) (g), 38.50 (2), 38.50 (3), 38.50 (5), 38.50 (7) (intro.), 38.50 (7) (a), 38.50 (7) (c), 38.50 (7) (d), 38.50 (7) (e), 38.50 (7) (f), 38.50 (7) (g), 38.50 (7) (h), 38.50 (8) (c) 1., 38.50 (8) (c) 4., 38.50 (8) (c) 5., 38.50 (8) (c) 6., 38.50 (8) (f), 38.50 (8) (g), 38.50 (10) (a), 38.50 (10) (b), 38.50 (10) (c) (title), 38.50 (10) (c) 1., 38.50 (10) (c) 2., 38.50 (10) (c) 3., 38.50 (10) (cm), 38.50 (10) (d), 38.50 (10) (e), 38.50 (10) (f), 38.50 (11)

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(a) (intro.), 38.50 (11) (a) 3., 38.50 (11) (b) 1., 38.50 (11) (c) and 38.50 (11) (d); *to amend* 20.292 (2) (g), 20.292 (2) (gm), 20.292 (2) (i), 29.506 (7m) (a), 45.20 (1) (d), 45.20 (2) (a) 1., 45.20 (2) (a) 2. (intro.), 45.20 (2) (c) 1., 45.20 (2) (d) 1. (intro.), 45.21 (2) (a), 71.05 (6) (b) 28. (intro.), 182.028, 460.05 (1) (e) 1., 944.21 (8) (b) 3. a. and 948.11 (4) (b) 3. a.; *to repeal and recreate* 20.292 (2) (g); and *to create* 37.01 (2), 37.10 (2) to (6), 37.15, 37.30 (title), 37.30 (2), 37.35 (2), 37.35 (3) (c), (d), (e) and (g), 37.35 (8), 37.40 (title), 37.45 and 37.50 of the statutes; **relating** to: the purposes, authority, and responsibilities of the Educational Approval Board and the regulation of schools by that board.

Analysis by the Legislative Reference Bureau

Under current law, the Educational Approval Board (EAB) is required to protect the general public by inspecting and approving private trade, correspondence, business, and technical schools, changes of ownership or control of those schools, teaching locations used by those schools, and courses of instruction offered by those schools and by regulating the soliciting of students for courses and courses of instruction offered by those schools. In particular, the EAB is required to perform certain actions to protect students, prevent fraud, and encourage generally accepted educational standards at those schools. Those actions include requiring schools offering courses and courses of instruction to residents of this state to furnish information concerning their facilities, curricula, instructors, enrollment policies, tuition and other charges and fees, refund policies, and policies concerning the negotiability of promissory instruments received in payment of tuition and other charges.

Current law also prohibits a solicitor representing any school from soliciting students for a course or course of instruction for a consideration or remuneration, except upon the actual business premises of the school, unless the solicitor first secures a solicitor's permit from the EAB and includes provisions relating to application and issuance of solicitor's permits, refusal or revocation of those permits, and consequences for soliciting students without a permit. Moreover, current law permits the EAB to indemnify a student, parent, or sponsor from an appropriation commonly referred to as the student protection fund, if a school closure results in losses to the student, parent, or sponsor. Finally, current law permits the EAB to take possession of the student records of schools, including certain schools not approved by the EAB, that have discontinued their operations, are proposing to discontinue their operations, or are in imminent danger of discontinuing their operations, if the records are in danger of being destroyed, secreted, mislaid, or

otherwise being made unavailable to the person who is the subject of the record. Schools not approved by the EAB whose student records the EAB may take into possession include tax—exempt schools that were incorporated in this state before January 1, 1992, or that had their headquarters and principal places of business in this state before 1970; schools that are licensed, approved, and supervised by other state agencies; schools approved by the Department of Public Instruction for the training of teachers; and schools accredited by accrediting agencies recognized by the EAB.

This substitute amendment moves the powers and duties of the EAB from a chapter of the statutes relating to the technical college system to its own newly created chapter, reorganizes those powers and duties, and makes various substantive changes with respect to those powers and duties. Specifically, the substitute amendment does the following:

- 1. *Purposes.* Specifies that the purposes of the EAB are to protect the general public and to support quality educational options and requires the EAB to accomplish those purposes by doing all of the following:
- a. Evaluating and approving schools, which the substitute amendment redefines to mean, subject to certain exceptions, any individual, partnership, association, corporation, or limited liability company, whether located within or outside this state, that offers, maintains, provides, or conducts for a fee a course of study that provides practical or academic instruction, education, or training leading to a diploma, certificate, or other indicia that a student has acquired knowledge or skills (program), including any private trade, technical, career, distance learning, or degree–granting school.
- b. Collecting and disseminating outcome and satisfaction information for the students of schools.
 - c. Performing annual reviews of schools.
 - $\ d. \ \ Conducting \ regular \ on-site \ evaluations \ of \ schools.$
- e. Holding schools accountable for improving their performance and effectiveness.
 - f. Supporting options for innovative and quality programs offered by schools.
- 2. *Accountability.* Requires the EAB to develop, periodically review, and, if appropriate, revise a strategic plan that includes specific goals, objectives, and measurable results and to use the strategic plan to evaluate annually its performance and effectiveness.
- 3. **Authority.** Requires the EAB to approve schools, programs that another state agency or board is not authorized to approve or accept, changes of ownership or control of schools, teaching locations used by schools, and school representatives who, in places other than a school, attempt to secure the enrollment of students in the school that meet the requirements and standards established by the EAB and that comply with rules promulgated by the EAB. In the case of a school that offers a program that another state agency or board is authorized to approve or accept, including a program leading to a credential that is required for licensure or a program providing professional development for a licensee, the substitute amendment requires the EAB to cooperate with that other state agency or board in

the approval of the school by the EAB and the approval or acceptance of the program by that other state agency or board.

- 4. **Responsibility.** Requires the EAB to perform certain actions to hold schools accountable for achieving satisfactory student outcomes and to ensure that programs meet generally accepted educational, occupational, and industry standards, including establishing standards and criteria for approving schools offering programs that are delivered primarily by distance learning and requiring a school, prior to enrolling a student who is a resident of this state, to provide the student with a catalog that includes information about the following:
 - a. The school's mission, facilities, programs, and instructors.
- b. The school's policies concerning enrollment and admissions, academic progress, and student conduct.
- c. Student services, including employment assistance services, the school provides.
 - d. The school's complaint procedures.
 - e. Student outcome and satisfaction information.
- f. The school's fees, refund policies, and policies concerning the negotiability of promissory instruments received in payment of fees.
- g. Any other information the EAB considers necessary to hold schools accountable for achieving satisfactory student outcomes and to ensure that programs meet generally accepted educational, occupational, and industry standards.
- 5. *Reporting.* Requires an approved school to submit annually to the EAB all of the following:
- a. Information about the school as prescribed by the EAB, including a current school catalog, an enrollment contract, if one is used, copies of advertising used by the school, and financial information as the EAB considers necessary.
- b. Student satisfaction and outcome information, including information on the number of students from the prior year who are continuing in the current year, the number of new students starting in the current year, the number of students who have dropped out or withdrawn since the prior year, the number of students who are anticipated to continue next year, the number of students completing a program, the number of completers successfully employed, and such other information as the EAB considers necessary.
- c. A report on the school's progress in achieving the goals of its institutional plan.
- 6. **Recruiting.** Deletes, effective 24 months after the date of publication of the substitute amendment, the statutory provisions relating to solicitor's permits, but retains among the responsibilities of EAB regulation of the recruiting of students and the issuing of permits to school representatives.
- 7. **Student protection fund.** Permits the EAB to pursue any legal action it considers necessary to recover any losses paid from the student protection fund.
- 8. **Student records.** Eliminates the authority of the EAB to take possession of the student records of a school not approved by the EAB that has discontinued its

operations, is proposing to discontinue its operations, or is in imminent danger of discontinuing its operations.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 **Section 1.** 20.292 (2) (g) of the statutes is amended to read: 20.292 (2) (g) *Proprietary Approval of school programs.* The amounts in the 2 schedule for the examination and approval of proprietary school programs under ch. 3 37. Ninety percent of all moneys received from the issuance of solicitor's 4 representative's permits under s. 38.50 (8) 37.60 and from the fees under s. 38.50 (10) 5 6 <u>37.40 (3) (c)</u> shall be credited to this appropriation account. SECTION 2. 20.292 (2) (g) of the statutes, as affected by 2007 Wisconsin Act 7 8 (this act), is repealed and recreated to read: 20.292 (2) (g) Approval of school programs. The amounts in the schedule for 9 10 the examination and approval of school programs under ch. 37. Ninety percent of all 11 moneys received from the fees under s. 37.40 (3) (c) shall be credited to this 12 appropriation account. 13 **Section 3.** 20.292 (2) (gm) of the statutes is amended to read: 14 20.292 (2) (gm) Student protection. All moneys received from fees received 15 under s. 38.50 (10) (c) 4. 37.40 (3) (d) and from amounts recovered under s. 37.50 (1), 16 for the purpose of indemnifying students, parents, or sponsors under s. 38.50 (10) (a) 37.50 (1) and for the purpose of preserving under s. 38.50 (11) 37.55 the students 17 records of schools, as defined in s. 38.50 (11) (a) 2., that have discontinued their 18 19 operations.

Section 4. 20.292 (2) (i) of the statutes is amended to read:

20.292 (2) (i) Closed schools; preservation of student records. All moneys
received from fees collected under s. 38.50 (11) (d) 37.55 (4) to be used for the
administrative costs of taking possession of, preserving, and providing <u>under s. 37.55</u>
copies of student records of schools, as defined in s. 38.50 (11) (a) 2., that have
discontinued their operations.
Section 5. 29.506 (7m) (a) of the statutes is amended to read:
29.506 (7m) (a) The department shall issue a taxidermy school permit to a
person who applies for the permit; who, on August 15, 1991, holds held a valid
taxidermist permit issued under this section; and who, on August 15, 1991, operates
operated a taxidermy school approved by the educational approval board under s.
38.50 <u>38.51, 1991 stats</u> .
SECTION 6. 37.01 (2) of the statutes is created to read:
37.01 (2) "Fee" means an application fee, a fee charged for tuition, books, or
materials, or any other fee charged to attend a school.
SECTION 7. 37.10 (2) to (6) of the statutes are created to read:
37.10 (2) Collecting and disseminating outcome and satisfaction information
for students attending schools.
(3) Performing annual reviews of schools.
(4) Conducting regular on–site evaluations of schools.
(5) Holding schools accountable for improving their performance and
effectiveness.
(6) Supporting options for innovative and quality programs offered by schools.
Section 8. 37.15 of the statutes is created to read:
37.15 Accountability. The board shall develop, periodically review, and, if
appropriate, revise a strategic plan for achieving its purposes under s. 37.10. The

Subject to subols), in

strategic plan shall include specific goals, objectives, and measurable results. The 1 board shall use the strategic plan to evaluate annually its performance and 2 3 effectiveness

Section 9. 37.30 (title) of the statutes is created to read:

37.30 (title) Authority.

Section 10. 37.30 (2) of the statutes is created to read:

37.30 (2) In the case of a school that offers a program that another state agency or board is authorized to approve or accept, including a program leading to a credential that is required for licensure or a program providing professional development for a licensee, the board shall cooperate with that other state agency or board in the approval of the school by the board and the approval or acceptance of the program by that other state agency or board.

Section 11. 37.35 (2) of the statutes is created to read:

37.35 (2) Establish standards and criteria for approving schools offering programs that are delivered primarily by distance learning.

SECTION 12. 37.35 (3) (c), (d), (e) and (g) of the statutes are created to read:

37.35 (3) (c) Student services, including employment assistance services, the school provides.

- (d) The school's complaint procedures.
- (e) Student outcome and satisfaction information.
- 21 (g) Any other information that the board considers necessary to accomplish the 22 goals specified in s. 37.35 (intro.).
 - **Section 13.** 37.35 (8) of the statutes is created to read:

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37.35 (8) Require schools to comply with all applicable building, plus	mbing,
electrical, and fire codes and all similar codes established for the protection	of the
health and safety of occupants of school buildings.	
SECTION 14. 37.40 (title) of the statutes is created to read:	
37.40 (title) Approval; application; fees.	
Section 15. 37.45 of the statutes is created to read:	
37.45 Reporting. (1) Information about school. An approved school	ıl shall
annually submit to the board information about the school as prescribed	by the
board, including a current school catalog, an enrollment contract, if one is u	sed by
the school, copies of advertising used by the school during the preceding year	ar, and
financial information as the board considers necessary.	
(2) STUDENT OUTCOME AND SATISFACTION INFORMATION. An approved school	ol shall
annually report to the board student satisfaction and outcome inform	nation,
including information on the number of students from the prior year wl	no are
continuing in the current year, the number of new students starting in the co	urrent
year, the number of students who have dropped out or withdrawn since the	e prior
year, the number of students who are anticipated to continue next year, the next	umber
of students completing a program, the number of completers successfully emp	oloyed,
and such other information as the board considers necessary.	
(3) Institutional plan. An approved school shall have an institutional	ıl plan
and shall report annually to the board on the progress of the school in achievi	ng the
goals of the plan.	
Section 16. 37.50 of the statutes is created to read:	
37.50 Consumer protection. (1) Student protection fund. If a	school

closure results in losses to students, parents, or sponsors, the board may authorize

1	the full or partial payment of those losses from the appropriation under s. 20.292 (2)
2	(gm). The board may pursue any legal action it considers necessary to recover any
3	losses paid from that appropriation. Any losses recovered under this subsection shall
4	be deposited into the general fund and credited to the appropriation account under
5	s. 20.292 (2) (gm).
6	Section 17. 37.60 of the statutes, as affected by 2007 Wisconsin Act (this
7	act), is repealed.
8	Section 18. 38.50 (title) of the statutes is renumbered chapter 37 (title).
9	Section 19. 38.50 (1) (intro.) of the statutes is renumbered 37.01 (intro.) and
10	amended to read:
11	37.01 Definitions. (intro.) In this section chapter, unless the context clearly
12	requires otherwise:
13	Section 20. 38.50 (1) (a) of the statutes is renumbered 37.01 (1) and amended
14	to read:
15	37.01 (1) Notwithstanding s. 38.01 (2), "board" "Board" means the educational
16	approval board.
17	SECTION 21. 38.50 (1) (b) of the statutes is repealed.
18	Section 22. 38.50 (1) (c) of the statutes is renumbered 37.01 (4) and amended
19	to read:
20	37.01 (4) "Course of instruction" "Program" means a series of classroom or
21	correspondence courses having a unified purpose which lead course of study that
22	provides practical or academic instruction, education, or training leading to a
23	diploma or, certificate, degree or to an occupational or vocational objective, or other
24	indicia that a student has acquired knowledge or skills, but does not include

1	education or training offered by an employer solely to its employees or a program that
2	another state agency or board is authorized to approve or accept.
3	SECTION 23. 38.50 (1) (d) of the statutes is renumbered 37.01 (3).
4	SECTION 24. 38.50 (1) (e) (intro.) of the statutes is renumbered 37.01 (6) (intro.)
5	and amended to read:
6	37.01 (6) (intro.) "School" means any person, whether located within or outside
7	this state, that offers, maintains, provides, or conducts a program for a fee, including
8	any private trade, correspondence, business, or technical, career, distance learning.
9	or degree-granting school, but does not include not including any of the following:
10	Section 25. 38.50 (1) (e) 1. of the statutes is renumbered 37.01 (6) (a) (intro.)
11	and amended to read:
12	37.01 (6) (a) (intro.) In-state schools that are An in-state school that is exempt
13	from taxation under section 501 of the Internal Revenue Code and that either were
14	meets any of the following requirements:
15	1. Was incorporated in this state prior to January 1, 1992, or had their and has
16	continuously been in good standing under ch. 181 since the date of incorporation.
17	2. Had its administrative headquarters and principal places of business in this
18	state prior to 1970.
19	Section 26. 38.50 (1) (e) 2. of the statutes is renumbered 37.01 (6) (b) and
20	amended to read:
21	37.01 (6) (b) Schools <u>A school</u> that are supported mainly by taxes <u>is governed</u>
22	by a public board.
23	Section 27. 38.50 (1) (e) 3. of the statutes is renumbered 37.01 (6) (c) and
24	amended to read:

1	37.01 (6) (c) Schools A school offering only programs that are of a parochial or
2	denominational character offering courses having, that have a sectarian objective,
3	and that are limited to use in the ministry of a religion, as determined by the board.
4	Section 28. 38.50 (1) (e) 4. of the statutes is renumbered 37.01 (6) (d) and
5	amended to read:
6	37.01 (6) (d) Schools primarily offering instruction A school offering a program
7	that is avocational or recreational in nature and not leading to that does not have a
8	vocational objective.
9	Section 29. 38.50 (1) (e) 5. of the statutes is renumbered 37.01 (6) (e) and
10	amended to read:
11	37.01 (6) (e) Courses conducted by A school that only offers programs to
12	employers exclusively for the exclusive use of their employees and without charge to
13	those employees.
14	S ECTION 30. 38.50 (1) (e) 6. of the statutes is repealed.
15.	SECTION 31. 38.50 (1) (e) 7. of the statutes is renumbered 37.01 (6) (f).
16	S ECTION 32. 38.50 (1) (e) 8. of the statutes is repealed.
17	Section 33. 38.50 (1) (f) of the statutes is renumbered 37.01 (5) and amended
18	to read:
19	37.01 (5) "Solicitor" "Representative" means a person employed by or
20	representing a school located either within or outside this state that who, in places
21	other than the actual business premises of the school, personally attempts to secure
22	the enrollment of a student in the school.
23	Section 34. 38.50 (1) (g) of the statutes is renumbered 37.01 (7) and amended
24	to read:

1	37.01 (7) "Teaching location" means the area and facilities designated for use
2	by a school <u>that are</u> required to be approved by the board under this <u>section</u> <u>chapter</u> .
3	Section 35. 38.50 (2) of the statutes is renumbered 37.10 (intro.) and amended
4	to read:
5	37.10 Responsibilities Purposes. (intro.) The board shall purposes of the
6	board are to protect the general public by inspecting and to support quality
7	educational options. The board shall accomplish those purposes by doing all of the
8	following:
9	(1) Evaluating and approving private trade, correspondence, business, and
10	technical schools doing business within this state, whether located within or outside
11	this state, changes of ownership or control of the schools, teaching locations used by
12	the schools, and courses of instruction offered by the schools and regulate the
13	soliciting of students for correspondence or classroom courses and courses of
14	instruction offered by the schools.
15	Section 36. 38.50 (3) of the statutes is renumbered 37.25 and amended to read:
16	37.25 Rule-making power. The board shall promulgate rules and establish
17	standards necessary to administer this section chapter.
18	S ECTION 37. 38.50 (5) of the statutes is renumbered 37.20 and amended to read:
19	37.20 Employees, quarters. The board shall employ a person to perform the
20	duties of an executive secretary director and any other persons under the classified
21	service that may be necessary to carry out the board's responsibilities purposes. The
22	person performing the duties of the executive secretary director shall be in charge
23	of the administrative functions of the board. The board shall, to the maximum extent
24	practicable, keep its office with the technical college system board.

1	SECTION 38. 38.50 (7) (intro.) of the statutes is renumbered 37.35 (intro.) and
2	amended to read:
3	37.35 Approval of schools generally Responsibilities. (intro.) To protect
4	students, prevent fraud and misrepresentation in the sale and advertising of courses
5	and courses of instruction, and encourage schools to maintain courses and courses
6	of instruction consistent in quality, content, and length with hold schools accountable
7	for achieving satisfactory student outcomes and to ensure that programs meet
8	generally accepted educational, occupational, and industry standards, the board
9	shall do all of the following:
10	Section 39. 38.50 (7) (a) of the statutes is renumbered 37.35 (1) and amended
11	to read:
12	37.35 (1) Investigate Evaluate the adequacy of courses and courses of
13	instruction programs offered by schools to residents of this state and establish
14	minimum standards for those courses of instruction.
15	Section 40. 38.50 (7) (b) of the statutes is repealed.
16	Section 41. 38.50 (7) (c) of the statutes is renumbered 37.35 (6) and amended
17	to read:
18	37.35 (6) Establish rules, standards, and criteria to prevent fraud and
19	misrepresentation in the sale and advertising of courses and courses of instruction
20	<u>programs</u> .
21	Section 42. 38.50 (7) (d) of the statutes is renumbered 37.35 (5) and amended
22	to read:
23	37.35 (5) Promulgate rules restricting Prescribe restrictions on the
24	negotiability of promissory instruments received by schools in payment of tuition
25	and other charges fees.

1	Section 43. 38.50 (7) (e) of the statutes is renumbered 37.35 (7) and amended
2	to read:
3	37.35 (7) Establish minimum standards for refund of the unused portion of
4	tuition, fees, and other charges if a student does not enter a course or course of
5	instruction program or withdraws or is discontinued from the course program.
6	Section 44. 38.50 (7) (f) of the statutes is renumbered 37.35 (3) (intro.) and
7	amended to read:
8	37.35 (3) (intro.) Require schools offering courses and courses of instruction to
9	residents of this state to furnish a school, prior to enrolling a student who is a
10	resident of this state, to provide the student with a catalog that includes information
11	concerning their all of the following:
12	(a) The school's mission, facilities, curricula, programs, and instructors,
13	(b) The school's policies concerning enrollment policies, tuition and other
14	charges and and admissions, academic progress, and student conduct.
15	(f) The school's fees, refund policies, and policies concerning negotiability of
16	promissory instruments received in payment of tuition and other charges fees.
17	Section 45. 38.50 (7) (g) of the statutes is renumbered 37.30 (1) and amended
18	to read:
19)	37.30 (1) Approve courses of instruction, Subject to My. the board shall
20	approve schools, programs, changes of ownership or control of schools, and teaching
21	locations meeting, and representatives that meet the requirements and standards
22	established by the board and complying that comply with rules promulgated by the
23	board and publish a list of the schools and courses of instruction approved.
24	Section 46. 38.50 (7) (h) of the statutes is renumbered 37.35 (4) and amended
25	to read:

1	37.35 (4) Issue Regulate the recruiting of students for programs offered by
2	schools and issue permits to solicitors representatives when all board requirements
3	have been met.
4	Section 47. 38.50 (7) (i) of the statutes is renumbered 37.35 (9).
5	Section 48. 38.50 (8) (title) of the statutes is renumbered 37.60 (title) and
6	amended to read:
7	37.60 (title) Soliciting Recruitment of Students.
8	Section 49. 38.50 (8) (a) of the statutes is renumbered 37.60 (1) and amended
9	to read:
10	37.60 (1) In General. No solicitor representing any school offering any course
11	or course of instruction shall sell any course or course of instruction or solicit
12	students for a course or course of instruction representative may sell any program
13	or recruit any student for a program in this state for a consideration or remuneration,
14	except upon the actual business premises of the school, unless the solicitor
15	representative first secures a solicitor's representative's permit from the board. If
16	the solicitor representative represents more than one school, a separate permit shall
17	be obtained for each school the solicitor representative represents.
18	Section 50. 38.50 (8) (b) of the statutes is renumbered 37.60 (2) and amended
19	to read:
20	37.60 (2) Solicitor's Representative's Permit. The application for a solicitor's
21	representative's permit shall be made on a form furnished by the board and shall be
22	accompanied by a fee and a surety bond acceptable to the board in the sum of \$2,000.
23	The board shall, by rule, specify the amount of the fee for a solicitor's representative's
24	permit. The bond may be continuous and shall be conditioned to provide
25	indemnification to any student suffering loss as the result of any fraud or

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misrepresentation used in procuring his or her enrollment or as a result of the failure of the school to perform faithfully the agreement the solicitor representative made with the student, and may be supplied by the solicitor representative or by the school itself either as a blanket bond covering each of its solicitors representatives in the amount of \$2,000 or the surety bond under sub. (7) (i) s. 37.35 (9). Upon approval of a permit, the board shall issue an identification card to the solicitor representative giving his or her name and address, and the name and address of the employing school, and certifying that the person whose name appears on the card is authorized to solicit recruit students for the school. A permit shall be valid for one year from the date issued. Liability under this paragraph subsection of the surety on the bond for each solicitor representative covered by the bond shall not exceed the sum of \$2,000 as an aggregate for any and all students for all breaches of the conditions of the bond. The surety of a bond may cancel the bond upon giving 30 days' notice in writing to the board and shall be relieved of liability under this paragraph subsection upon giving the notice for any breach of condition occurring after the effective date of the cancellation. An application for renewal shall be accompanied by a fee, a surety bond acceptable to the board in the sum of \$2,000 if a continuous bond has not been furnished, and such information as the board requests of the applicant. The board shall, by rule, specify the amount of the fee for renewal of a solicitor's representative's permit.

SECTION 51. 38.50 (8) (c) (intro.) of the statutes is renumbered 37.60 (3) (intro.) and amended to read:

37.60 **(3)** Refusal or revocation of Permit. (intro.) The board may refuse to issue or renew, or may revoke, any solicitor's representative's permit upon one or any combination of the following grounds:

1	SECTION 52. 38.50 (8) (c) 1. of the statutes is renumbered 37.60 (3) (a) and
2	amended to read:
3	37.60 (3) (a) Willful violation of this subsection section or any rule promulgated
4	by the board under this section chapter.
5	Section 53. 38.50 (8) (c) 2. of the statutes is renumbered 37.60 (3) (b).
6	Section 54. 38.50 (8) (c) 3. of the statutes is renumbered 37.60 (3) (c) and
7	amended to read:
8	37.60 (3) (c) Presenting information to prospective students relating to the
9	school, a course, or a course of instruction or a program that is false, fraudulent, or
10	misleading.
11	Section 55. 38.50 (8) (c) 4. of the statutes is renumbered 37.60 (3) (d) and
12	amended to read:
13	37.60 (3) (d) Refusal by the school to be represented to allow reasonable
14	inspection or to supply information after written request therefor by the board.
15	Section 56. 38.50 (8) (c) 5. of the statutes is renumbered 37.60 (3) (e) and
16	amended to read:
17	37.60 (3) (e) Failure of the school which the solicitor representative represents
18	to meet requirements and standards established by and to comply with rules
19	promulgated by the board under sub. (7) s. 37.25.
20	Section 57. 38.50 (8) (c) 6. of the statutes is renumbered 37.60 (3) (f) and
21	amended to read:
22	37.60 (3) (f) Cancellation of the solicitor's representative's bond by surety.
23	Section 58. 38.50 (8) (c) 7. of the statutes is renumbered 37.60 (3) (g).
24	Section 59. 38.50 (8) (d) of the statutes is renumbered 37.60 (4).
25	Section 60. 38.50 (8) (e) of the statutes is renumbered 37.60 (5).

1	Section 61. 38.50 (8) (f) of the statutes is renumbered 37.60 (6) and amended
2	to read:
3	37.60 (6) RECOVERY BY STUDENTS. The bond in force under par. (b) sub. (2) shall
4	not limit or impair any right of recovery otherwise available under law, nor shall the
5	amount of the bond be relevant in determining the amount of damages or other relief
6	to which any plaintiff may be entitled.
7	SECTION 62. 38.50 (8) (g) of the statutes is renumbered 37.60 (7) and amended
8	to read:
9	37.60 (7) Recovery on contracts. No recovery shall be had by any school or
10	its assignee on any contract for or in connection with a course or course of instruction
11	program if the representative who sold or solicited the course the program or
12	recruited the student for the program was not the holder of a solicitor's
13	representative's permit under this subsection section at the time of the sale or
14	solicitation recruitment.
15	SECTION 63. 38.50 (8) (h) of the statutes is repealed.
16	SECTION 64. 38.50 (8) (i) of the statutes is repealed.
17	Section 65. 38.50 (10) (title) of the statutes is repealed.
18	Section 66. 38.50 (10) (a) of the statutes is renumbered 37.40 (1) and amended
19	to read:
20	37.40 (1) AUTHORITY. APPROVAL. All proprietary schools shall be examined and
21	No school may operate or advertise in this state, offer a program to a resident of this
22	state, change its ownership or control, or establish a teaching location, and no person
23	may act as a representative, unless the school or representative is first approved by
24	the board before operating in this state. Approval shall be granted to schools meeting
25	the criteria. If a school, program, change in ownership or control, teaching location,

or representative meets the requirements and standards established by the board and complies with rules promulgated by the board, the board shall approve the school, program, change in ownership or control, teaching location, or representative. Approval for a school, program, teaching location, or representative shall be for a period not to exceed one year. No school may advertise in this state unless approved by the board. All approved schools shall submit quarterly reports, including information on enrollment, number of teachers and their qualifications, course offerings, number of graduates, number of graduates successfully employed, and such other information as the board considers necessary. If a school closure results in losses to students, parents, or sponsors, the board may authorize the full or partial payment of those losses from the appropriation under s. 20.292 (2) (gm).

SECTION 67. 38.50 (10) (b) of the statutes is renumbered 37.40 (2) and amended to read:

37.40 (2) APPLICATION. Application for initial approval or renewal of approval of a school or –a course of instruction, approval of a teaching location, change of ownership, or control of a school, renewal of approval of a school or program, approval of a substantially revised program, reinstatement of approval of a school or course of instruction that whose approval has been revoked, approval of a teaching location, approval of a change of ownership or control of a school, or approval of a representative shall be made on a form furnished by the board and shall be accompanied by a fee set by the board under par. (c) sub. (3) and any other information as that the board considers necessary to evaluate the school, program, teaching location, change of ownership or control, or representative in carrying out the purpose of this section chapter.

1	Section 68. 38.50 (10) (c) (title) of the statutes is renumbered 37.40 (3) (title)
2	and amended to read:
3	37.40 (3) (title) FEES; RULE MAKING.
4	Section 69. 38.50 (10) (c) (intro.) of the statutes is renumbered 37.40 (3)
5	(intro.).
6	Section 70. 38.50 (10) (c) 1. of the statutes is renumbered 37.40 (3) (a) and
7	amended to read:
8	37.40 (3) (a) Require that the amount of fees collected under this paragraph
9	subsection be sufficient to cover all costs that the board incurs in examining and
10	approving proprietary schools under this subsection sub. (1).
11	Section 71. 38.50 (10) (c) 2. of the statutes is renumbered 37.40 (3) (b) and
12	amended to read:
13	37.40 (3) (b) Give consideration to establishing a variable fee structure based
14	on the size of a proprietary school.
15	Section 72. 38.50 (10) (c) 3. of the statutes is renumbered 37.40 (3) (c) and
16	amended to read:
17	37.40 (3) (c) Specify a fee to accompany all applications under par. (b) sub. (2).
18	Section 73. 38.50 (10) (c) 4. of the statutes is renumbered 37.40 (3) (d).
19	Section 74. 38.50 (10) (cm) of the statutes is renumbered 37.40 (4) and
20	amended to read:
21	37.40 (4) Limit on student protection fee. The board shall discontinue
22	collecting annual student protection fees under par. (c) 4. sub. (3) (d) during the
23	period that the balance in the fund created by those fees exceeds \$1,000,000.
24	Section 75. 38.50 (10) (d) of the statutes is renumbered 37.50 (2) and amended
25	to read:

1	37.50 (2) Enforcement. The attorney general or any district attorney may
2	bring an action in circuit court for the enforcement of this subsection chapter,
3	including bringing an action to restrain by temporary or permanent injunction any
4	violation of par. (a) this chapter.
5	Section 76. 38.50 (10) (e) of the statutes is renumbered 37.50 (3) and amended
6	to read:
7	37.50 (3) PENALTIES. Any person who violates par. (a) any provision of this
8	chapter may be required to forfeit not more than \$500. Each day of operation in
9	continued violation of par. (a) constitutes a separate offense.
10	Section 77. 38.50 (10) (f) of the statutes is renumbered 37.50 (4) and amended
11	to read:
12	37.50 (4) Other remedies. In addition to any other remedies provided by law,
13	a student who attends a school that is in violation of par. (a) this chapter may bring
14	a civil action to recover fees paid to the school in violation of par. (a) this chapter
15	together with costs and disbursements, including reasonable attorney fees.
16	Section 78. 38.50 (11) (title) of the statutes is renumbered 37.55 (title).
17	Section 79. 38.50 (11) (a) (intro.) of the statutes is renumbered 37.55 (1) (intro.)
18	and amended to read:
19	37.55 (1) (intro.) In this subsection section:
20	Section 80. 38.50 (11) (a) 1. of the statutes is repealed.
21	Section 81. 38.50 (11) (a) 2. of the statutes is repealed.
22	Section 82. 38.50 (11) (a) 3. of the statutes is renumbered 37.55 (1) (b) and
23	amended to read:
24	37.55 (1) (b) "Student record" means, in the case of a school, as defined in sub.
25	(1) (e) (intro.), a transcript for a student or former student of a school showing the

name of the student, the title of the program in which the student was or is enrolled, the total number of credits or hours of instruction completed by the student, the dates of enrollment, the grade for each course, lesson, or unit of instruction completed by the student, the student's cumulative grade for the program, and an explanation of the school's credit and grading system. In the case of a school described in sub. (1) (e) 1., 6., 7., or 8, "student record" means a transcript for a student or former student of the school showing such information about the academic work completed by the student or former student as is customarily maintained by the school.

SECTION 83. 38.50 (11) (b) 1. of the statutes is renumbered 37.55 (2) and amended to read:

37.55 (2) If a school operating in this state discontinues its operations, proposes to discontinue its operations, or is in imminent danger of discontinuing its operations as determined by the board, if the student records of the school are not taken into possession under subd. 2., and if the board determines that the student records of the school are in danger of being destroyed, secreted, mislaid, or otherwise made unavailable to the persons who are the subjects of those student records or the authorized representatives of those persons, the board may take possession of those student records.

SECTION **84.** 38.50 (11) (b) 2. of the statutes is repealed.

Section 85. 38.50 (11) (c) of the statutes is renumbered 37.55 (3) and amended to read:

37.55 **(3)** If necessary to protect student records from being destroyed, secreted, mislaid, or otherwise made unavailable to the persons who are the subjects of those student records or the authorized representatives of those persons, the board or

association may seek a court order authorizing the board or association to take 1 possession of those student records. 2 Section 86. 38.50 (11) (d) of the statutes is renumbered 37.55 (4) and amended 3 to read: 4 37.55 (4) The board or association shall preserve a student record that comes 5 into the possession of the board or association under par. (b) 1. or 2. sub. (2) and shall 6 keep the student record confidential as provided under 20 USC 1232g and 34 CFR 7 part 99. A student record in the possession of the board is not open to public 8 inspection or copying under s. 19.35 (1). Upon request of the person who is the subject 9 of a student record or an authorized representative of that person, the board or 10 association shall provide a copy of the student record to the requester. The board or 11 association may charge a fee for providing a copy of a student record. The fee shall 12 be based on the administrative cost of taking possession of, preserving, and providing 13 the copy of the student record. All fees collected by the board under this paragraph 14 subsection shall be credited to the appropriation account under s. 20.292 (2) (i). 15 **Section 87.** 45.20 (1) (d) of the statutes is amended to read: 16 45.20 (1) (d) "Tuition," when referring to the University of Wisconsin System, 17 means academic fees and segregated fees; when referring to the technical colleges, 18 means "program fees" and "additional fees" as described in s. 38.24 (1m) and (1s); and 19 when referring to a high school, a school that is approved under s. 45.03 (11), or a 20 proprietary school that is approved under s. 38.50 ch. 37, means the charge for the 21 courses or programs for which a person is enrolled. 22 **Section 88.** 45.20 (2) (a) 1. of the statutes is amended to read: 23 45.20 (2) (a) 1. The department shall administer a tuition reimbursement 24

program for eligible veterans enrolling as undergraduates in any institution of

higher education in this state, enrolling in a school that is approved under s. 45.03 (11), enrolling in a proprietary school that is approved under s. 38.50 ch. 37, enrolling in a public or private high school, or receiving a waiver of nonresident tuition under s. 39.47.

SECTION 89. 45.20 (2) (a) 2. (intro.) of the statutes is amended to read:

45.20 **(2)** (a) 2. (intro.) A veteran who is a resident of this state and otherwise qualified to receive benefits under this subsection may receive the benefits under this subsection upon the completion of any correspondence courses or part—time classroom study from an institution of higher education located outside this state, from a school that is approved under s. 45.03 (11), or from a proprietary school that is approved under s. 38.50 ch. 37, if any of the following applies:

Section 90. 45.20 (2) (c) 1. of the statutes is amended to read:

45.20 (2) (c) 1. A veteran who meets the eligibility requirements under par. (b) 1. may be reimbursed upon satisfactory completion of an undergraduate semester in any institution of higher education in this state, or upon satisfactory completion of a course at any school that is approved under s. 45.03 (11), any proprietary school that is approved under s. 38.50 ch. 37, any public or private high school, or any institution from which the veteran receives a waiver of nonresident tuition under s. 39.47. Except as provided in par. (e), the amount of reimbursement may not exceed the total cost of the veteran's tuition minus any grants or scholarships that the veteran receives specifically for the payment of the tuition, or, if the tuition is for an undergraduate semester in any institution of higher education, the standard cost of tuition for a state resident for an equivalent undergraduate semester at the University of Wisconsin–Madison, whichever is less.

Section 91. 45.20 (2) (d) 1. (intro.) of the statutes is amended to read:

1	45.20 (2) (d) 1. (intro.) A veteran's eligibility for reimbursement under this
2	subsection at any institution of higher education in this state, at a school that is
3	approved under s. 45.03 (11), at a proprietary school that is approved under s. 38.50
4	ch. 37, at a public or private high school, or at an institution where he or she is
5	receiving a waiver of nonresident tuition under s. 39.47 is limited to the following:
6	SECTION 92. 45.21 (2) (a) of the statutes is amended to read:
7	45.21 (2) (a) The veteran is enrolled in a training course in a technical college
8	under ch. 38 or in a proprietary school in the state approved by the educational
9	approval board under s. 38.50 ch. 37, other than a proprietary school offering a
10	4-year degree or 4-year program, or is engaged in a structured on-the-job training
11	program that meets program requirements promulgated by the department by rule.
12	SECTION 93. 71.05 (6) (b) 28. (intro.) of the statutes, as affected by 2007
13	Wisconsin Act 20, is amended to read:
14	71.05 (6) (b) 28. (intro.) An amount paid by a claimant for tuition expenses and
15	mandatory student fees for a student who is the claimant or who is the claimant's
16	child and the claimant's dependent who is claimed under section 151 (c) of the
17	Internal Revenue Code, to attend any university, college, technical college or a school
18	approved under s. 38.50 ch. 37, that is located in Wisconsin or to attend a public
19	vocational school or public institution of higher education in Minnesota under the
20	Minnesota-Wisconsin reciprocity agreement under s. 39.47, calculated as follows:
21	Section 94. 182.028 of the statutes is amended to read:
22	182.028 School corporations. Any corporation formed for the establishment
23	and maintenance of schools, academies, seminaries, colleges or universities or for the
24	cultivation and practice of music shall have power to enact bylaws for the protection

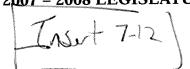
of its property, and provide fines as liquidated damages upon its members and

except as follows:

patrons for violating the bylaws, and may collect the same in tort actions, and to
prescribe and regulate the courses of instruction therein, and to confer such degrees
and grant such diplomas as are usually conferred by similar institutions or as shall
be appropriate to the courses of instruction prescribed, except that no corporation
shall operate or advertise a school that is subject to s. 38.50 (10) 37.40 (1) without
complying with the requirements of s. 38.50 ch. 37 . Any stockholder may transfer
his or her stock to the corporation for its use; and if the written transfer so provides the stock shall be perpetually held by the board of directors with all the rights of a
stockholder, including the right to vote.
SECTION 95. 460.05 (1) (e) 1. of the statutes is amended to read:
460.05 (1) (e) 1. Graduated from a school of massage therapy or bodywork
approved by the educational approval board under s. 38.50 ch. 37 or completed a
training program approved by the department under the rules promulgated under $s.\ 460.04$ (2) (b).
Section 96. 944.21 (8) (b) 3. a. of the statutes is amended to read:
944.21 (8) (b) 3. a. Is a technical college, is a school approved by the educational
approval board under s. 38.50 ch. 37, or is a school described in s. 38.50 (1) (e) 6., 7.
or 8. 37.01 (6) (f); and
SECTION 97. 948.11 (4) (b) 3. a. of the statutes is amended to read:
948.11 (4) (b) 3. a. Is a technical college, is a school approved by the educational
approval board under s. 38.50 ch. 37, or is a school described in s. 38.50 (1) (e) 6., 7.
or 8. 37.01 (6) (f); and
Section 98. Effective dates. This act takes effect on the day after publication,

1	(1) Representative's permits. The repeal and recreation of section 20.292 (2)
2	(g) of the statutes and the repeal of section 37.60 of the statutes take effect on the first
3	day of the 24th month beginning after publication.
4	(END)

2007 - 2008 LEGISLATURE



ASSEMBLY AMENDMENT,

TO ASSEMBLY SUBSTITUTE AMENDMENT 1,

TO 2007 ASSEMBLY BILL 281



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At the locations indicated, amend the substitute amendment as follows:

1. Page 7, line 7: delete "In" and substitute "Subject to sub. (3), in".

2. Page 7, line 12: after that line insert:

SECTION 1800 37.30 (3) of the statutes is created to read:

- 37.30 **(3)** The state superintendent of public instruction shall have the exclusive authority to do all of the following:
- (a) Approve a program offered by a school located in this state, or accept a program offered by a school located outside this state that is accredited by another state or jurisdiction, leading to licensure of teachers or providing professional development for educators.
- (b) Approve a school located in this state, or accept a school located outside this state that is accredited by another state or jurisdiction, that only offers programs



leading to licensure of teachers or providing professional development for educators

3. Page 11, line 15: delete that line and substitute:

"Section 31d. 38.50 (1) (e) 7. of the statutes is renumbered 37.01 (6) (f) and

5 amended to read:

37.01 **(6)** (f) Schools approved or accepted by the department of public

instruction for the training of teachers or other educators as provided in s. 37.30 (3)

8 <u>(b)</u>.".

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4. Page 14, line 19: delete "sub. (2)" and substitute "subs. (2) and (3)".

10 · CEND)

Edd mcx